

STATE OF ARIZONA

DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of:

**LIFE AND HEALTH FILING
EXEMPTIONS**

Docket No. 22A-051-INS

ORDER

THE ARIZONA DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS pursuant to A.R.S. §§ 20-1110(F) and A.R.S. 20-1691.08(F) finds the following:

1. Pursuant to Arizona Revised Statutes (“A.R.S.”) § 20-1110(F), the Director may exempt, by order, any insurance document or forms as specified in such order from the filing requirements of A.R.S. § 20-1110 if, in his opinion, the filing requirements may not be practicably applied, or the filings and approval of which are not desirable or necessary for the protection of the public. Further, pursuant to § 20-1691.08(F), the Director may exempt, by order, any long-term care insurance rate or form as specified in such order from the filing requirements of A.R.S. § 20-1691 *et seq.*, if in his opinion, the filing requirements may not be practicably applied, or the filings and approval of which are not desirable or necessary for the protection of the public.

2. On May 4, 2015, the Director issued the Life, Health and Disability Form Filing Exemptions; Group Long-Term Care Form Filing Exemption Order (Docket No. 15A-005-INS).

1 3. On April 28, 2022, the Department issued a Notice of Opportunity to Comment
2 seeking public comments relating to the Department’s proposed exemptions. The Department
3 received and reviewed the following two comments:

4 i. Blue Cross Blue Shield of Arizona commented that ARS 20-1110(H)(6)
5 specifically exempts from filing web banner advertisements, paid social media
6 advertisements, online search engine advertisements with less than 100
7 characters and requested that the Department exempt such advertising with less
8 than 200 characters.

9 ii. WMI Mutual Insurance Company commented that our Order did not correctly
10 reflect the size of “small group” in Arizona, as specified by 45 CFR §§ 144.103
11 and 155.20 and ARS § 20-2301, which is 2-50 employees.

12 The Department considered all comments and made changes to the exemptions where
13 appropriate.

14 4. It is important to emphasize that an item identified as exempt from filing by this
15 Order is not exempt from compliance with applicable state and federal laws and rules. Should
16 the Department have reason to believe that an exempt form is not compliant with applicable
17 requirements, it may require that the form be filed or submitted for review.

18 NOW, THEREFORE, in order to protect the interests of consumers of life and disability
19 and long-term care insurance products in Arizona, to promote a competitive market place for life
20 and disability and long-term care insurance products in Arizona, to promote the availability and
21 affordability of life and disability and long-term care insurance products in Arizona, and to
22 promote the effective and efficient administration of Title 20.

1 IT IS ORDERED, pursuant to A.R.S. § 20-1110(F) adopting Exhibits A and B, attached
2 hereto, and, pursuant to A.R.S. § 20-1691.08(F), adopting Exhibit C, attached hereto.

3 IT IS FURTHER ORDERED, that this Order superseded Order in docket number 15A-
4 005-INS.

5 The Order is effective immediately upon filing.

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7 Dated this 19th day of October, 2022.

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10 Evan G. Daniels, Director
11 Department of Insurance and Financial Institutions
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1 **Exhibit A**

2 **ADVERTISING FORMS EXEMPTED FROM THE FILING REQUIREMENTS OF**
3 **A.R.S. § 20-1110(E)**

4 The following advertising forms are exempt from the filing requirement of A.R.S. § 20-1110(E):

- 5 A. All Individual and Group Life Insurance Advertisements
- 6 B. All Individual and Group Annuity Advertisements
- 7 C. All Disability Income Advertisements
- 8 D. All Indemnity Dental Advertisements
- 9 E. All Service Corporation Dental Advertisements
- 10 F. All Accident Only Insurance Advertisements
- 11 G. All Group Long-Term Care Insurance Advertisements
- 12 H. Web banner advertisements, paid social media posts and online search engine
13 advertisements containing 150 characters or less for products *other than* limited benefit
14 insurance products as defined in ARS 20-1137 which must still be filed.

1 **Exhibit B**

2 **I. LIFE AND DISABILITY FORMS EXEMPTED FROM THE FILING AND**
3 **APPROVAL REQUIREMENTS OF A.R.S. § 20-1110**

4 The following forms are exempt from the filing requirement of A.R.S. § 20-1110:

5 A. The following types of life insurance policy forms are exempt from filing:

6 1. Individual permanent policies with fixed premiums, benefits and guaranteed values as
7 follows:

- 8 a. Ordinary whole life.
- 9 b. Limited pay life.
- 10 c. Life paid up at certain ages.
- 11 d. Endowments.
- 12 e. Modified benefit whole life (only 1 decrease or increase in face amount at a certain
age with no change in premium).
- 13 f. Modified premium whole life (only 1 change in premium with no change in benefit
amount).
- 14 g. Single premium life and endowments.
- 15 h. Joint life without survivorship benefits.
- 16 i. Individual policies issued as a result of a group conversion privilege.

17 2. Individual term policies.

18 3. Group policies as follows:

- 19 a. Group annuities.
- 20 b. Group permanent life.
- 21 c. Group term life.

22 4. Miscellaneous life forms as follows:

- a. Industrial life.
- b. Immediate annuities.
- c. Variable life and annuity contracts which provide benefits according to the investment
experience of a separate account pursuant to A.R.S. § 20-651.
- d. Applications, endorsements, amendments and riders issued in conjunction with (1),
(2), (3) and (4) above.

B. The following types of insurance policy forms issued by disability insurers or service
corporations are exempt from filing:

1 **1. Group disability policies, including blanket disability, except the following forms which**
2 **must be filed:**

- 3 a. Forms issued to small group (2-50 employees) as defined by ARS 20-2301(A)(19),
4 45 CFR §§ 144.103 and 155.20, and
- 5 b. Group disability forms issued to trustees where the trust situs is in Arizona, and
- 6 c. Forms issued to Associations as defined by 45 CFR §§ 144.102, 144.103 and 150.103,
7 for which an evidence of coverage is issued to individuals or small groups in Arizona,
8 and
- 9 d. All group forms issued by HCSOs.

10 2. Any size Group Dental forms, except prepaid dental which must be filed.

11 3. Forms for individual disability policies as follows are exempt from filing:

- 12 a. Long term disability income including overhead expense
- 13 b. Short term disability income including overhead expense
- 14 c. Prescription drugs
- 15 d. Accident only
- 16 e. Travel
- 17 f. Accidental death and disability
- 18 g. Overhead expense disability income
- 19 h. Individual policies issued as a result of a group conversion privilege.

20 4. Applications, riders, endorsements and amendments issued in conjunction with (1), (2)
21 and (3) above.

22 C. Regulation of exempt forms:

1. In accordance with A.R.S. § 20-157, insurers shall maintain an up to date list of all forms
which are available for issue or sale, or are still in circulation, in the State of Arizona, and are
exempt from the filing requirements of A.R.S. § 20-1110 by this Order. The list shall identify
each exempt form by its title and form number. If the form does not have a descriptive title, a
brief explanation of the coverage provided shall be included. Insurers must be able to produce
current and prior versions of the lists to the Department upon request.

2. Furthermore, insurers shall maintain a copy of each exempt form for as long as there are
policies in effect, and for an appropriate amount of time following the last date the form was in
effect in the State of Arizona; the Department recommends three years. Such exempt forms must
be made available to the Department upon request.

**II. INDIVIDUAL LIFE AND ANNUITY FORMS CONDITIONALLY EXEMPTED
FROM THE PRIOR APPROVAL REQUIREMENTS OF A.R.S. § 20-1110(A)**

1 Forms relating to ordinary life insurance or annuity contracts which meet the criteria listed below
2 are conditionally exempted from the prior approval requirement of A.R.S. §20-1110(A) at the
3 time of the first use in this state and the requirement of filing with the Director at least thirty (30)
4 days prior to delivery or issuance for delivery pursuant to A.R.S. §20-1110(C).

5 A. The identical form (except for variations necessary to meet the requirements of the state
6 in which coverage will be effective) has already been allowed or approved by the insurance
7 regulatory agency of the filing insurer's state of domicile; and

8 B. The identical form (except for variations necessary to meet the requirements of the state
9 in which coverage will be effective) has already been allowed or approved by the insurance
10 regulatory agency or agencies of a state or states, other than the filing insurer's state of domicile,
11 in which the filing insurer issued at least 25% of its total U.S. business for ordinary life insurance
12 or annuity considerations, as applicable, according to the applicable State Pages, Exhibit of
13 Premiums and Losses, page 21, of its annual statement as of the most recent calendar year end;

14 C. The law of the states referenced in paragraphs A and B requires that the form be filed
15 with the insurance regulatory agency at least 15 days prior to its use and either requires approval,
16 or allows the insurance regulatory agency an opportunity to disapprove it, prior to its use in that
17 state; and

18 D. The law of the states referenced in paragraphs A and B allows the insurance regulatory
19 agency to disapprove the form if it is ambiguous, misleading or deceptive, or a substantially
20 similar standard; and

21 E. The form is filed with this Department no later than the date it is first delivered or issued
22 for delivery in this state; and

F. Together with the form, the insurer files all of the following:

1. A certification of qualification for this exemption, in a form required by this Department;
2. A certification attesting to the insurer's knowledge and understanding of, and the form's compliance with, the law of Arizona, in a form required by this Department.

Exhibit C

LONG-TERM CARE FORMS AND RATES EXEMPTED FROM THE FILING AND APPROVAL REQUIREMENTS OF A.R.S. § 20-1691.08

The following long-term care rates and forms are exempt from the filing and approval requirements of A.R.S. § 20-1691.08:

All Group Long-term Care